

Effective Writing

Writing Effective Audit Reports
From the Commander's Perspective

On my command, write!

On my command, write!

Jim
Gaston

Checklists can help you:

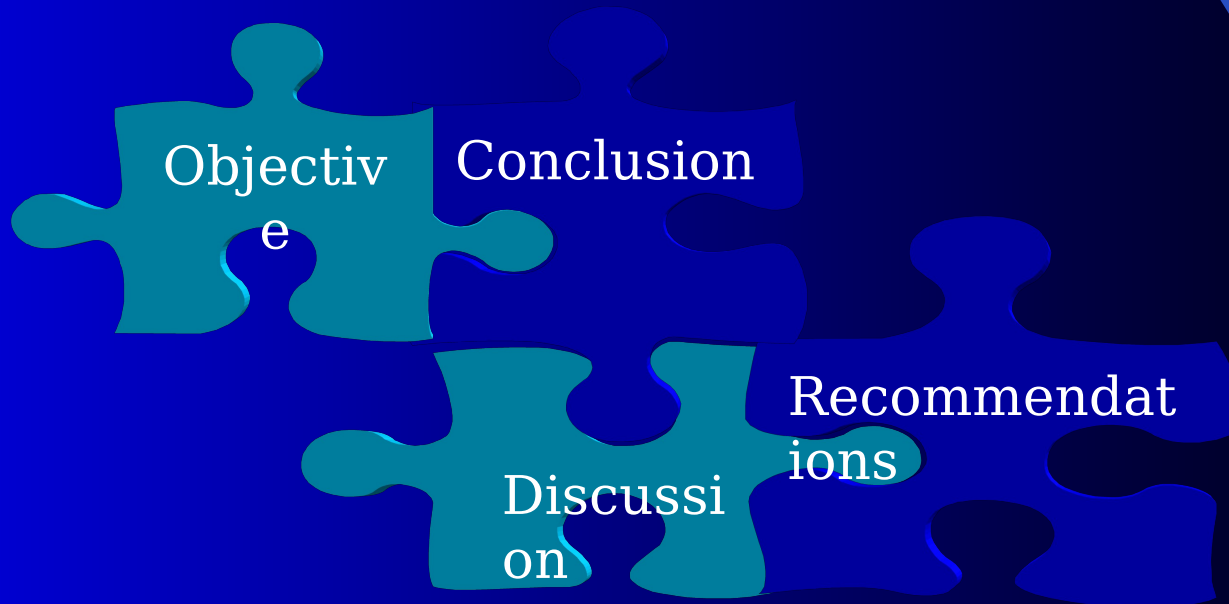
- Write from a commander's viewpoint.
- Write now.

Agenda

- Collect effective audit writing techniques.
- Translate techniques into checklists.
- Use checklists to draft major sections of an audit report.

Why Checklists?

- Control viewpoint and priority.
- Expedite writing and unify components.



Which Checklists?

- Objective
- Conclusion
- Discussion
- Recommendations

Writing Audit Objectives

- Use a direct, yes-or-no question in past tense.
- Write about components of a system, not about a symptom.
- Write about adequacy for a purpose.

Questions Bring Focus

No

Question: **Review methods of controlling contractors' costs.**

Indirect

Question: **To determine whether controls over contractors' costs were adequate.**

Direct

Question: **Did the contracting office have adequate controls over contractors' costs?**

Indirect and Direct Questions

Indirect: Talks about a question.

There is uncertainty about whether the gains were real.

Direct: Asks a question.

Were the gains real?

Which version focuses more sharply?

Present and Past Tense

Present: “Adequate protective gear is unavailable.”

(The gear is still unavailable.)

Past: “Adequate protective gear was unavailable.”

(The gear wasn’t available when you conducted the audit.)

Which claim would you prefer to defend?

Exercise: Writing in Past Tense

See your booklet of instructions and exercises.

Yes-or-No Questions

Question: Was the transplant successful?

Your answer to a yes-or-no question may be something other than a simple “yes” or “no.”

Yes-or-No Questions

Question: Was the transplant successful?

Answer: Generally yes, the donkey's new tail

was viable. Opinions differed, however, about some issues.



Exercise: Yes-or-No Questions

See your booklet of instructions and exercises.

Systems, Not Symptoms

Systems: The health of an organization

Symptoms: Local pain relief.

Systems, Not Symptoms

Systems

Questions: Invite objective thought,
constructive solutions.

Symptoms

Questions: Invite simplistic, pin-the-blame
solutions.

Key Management Areas

Communications Research

Maintenance Security

Marketing Supply

Quality Control Training

Recruiting

Transportation

Exercise: Systems-Oriented Objectives

See your booklet of instructions and exercises.

Adequacy for a Purpose

Not: Did something fail?

But: Were the components of
the system adequate
for the system's
intended purpose?

Exercise: Adequacy for a Purpose

See your booklet of instructions and exercises.

Checklist for Objectives

- ❑ Asks direct, yes-or-no question in past tense.
- ❑ Mentions components of a key management area (or system).
- ❑ Mentions adequacy of those components for a purpose.

Exercise: Writing an Objective

See your booklet of instructions and exercises.

Writing a Conclusion

- Tell **condition**.
- Identify **causes**.
- Explain **effects**.

Condition in Key Area

- Answer question from Objective.
- Tell condition of system components.
- Include positive assessments when warranted.
- Show magnitude of problem observed.

Root Causes

- Start a new paragraph.
- Introduce with, “The principal causes of this condition were”
- Identify **root** causes.
- Display them in a vertical list.

Effects of the Condition

- Start a new paragraph.
- Introduce with reference to “effects.”
- Tell effects on the command or The Army:
 - Mission compromised?
 - Resources unavailable?
 - Impaired decision making?
- Use numbers (if available) to show potential loss or savings.

Exercise: Analyzing a Conclusion

See your booklet of instructions and exercises.

Checklist for Conclusions

- ❑ Answers question from Objective.
- ❑ Tells condition of system components.
- ❑ Includes positive assessments when warranted.
- ❑ Shows magnitude of problem observed.
- ❑ Starts new paragraph for causes.
- ❑ Includes introductory reference to causes.
- ❑ Displays root causes in vertical list.
- ❑ Starts new paragraph for effects.
- ❑ Includes introductory reference to effects.
- ❑ Tells effects on the command or The Army.
- ❑ Gives numbers for potential loss or savings.

Exercise: Writing a Conclusion

See your booklet of instructions and exercises.

Writing a Discussion

- Begin with a preview of main topics.
- Provide headings for main topics.
- Make paragraphs pass the dollar-bill test.
- Provide key info for each topic.

Why Use a Preview?

- Easier navigation
- Faster reading
- Improved memory
- Improved comprehension
- Increased probability of reading

Discussion with No Preview

Discussion

The contractor failed to submit variance reports on the monthly invoices when the actual costs of operations exceeded the estimated costs. The solicitation required the contractor submit variance analysis reports to the contracting officer on each invoice when the actual costs of each contract line item number exceeded the estimated cost by ten percent. The solicitation also required that the analysis fully document the variance and specify the reasons for the variance. For a 12-month period ended 31 May 2002, at least one contract line item was exceeded by at least 10 percent for all 12 months. In addition, there were 42 instances in which a contract line item estimated cost was exceeded by at least 10 percent. Our review showed that the contractor failed to submit variance analyses for eight of the 12 months and 25 of the 42 instances when a contract line item number exceeded the estimated amount by at least 10 percent. In addition, some of the analyses lack sufficient detailed analysis. For example, one explanation cited the overrun was due to the government's perception that the contractor was performing poorly in grounds maintenance. The installation failed to ensure that these variance analyses were submitted prior to certifying the invoice. As a result, the installation was unaware what factors caused the cost overruns. Prior to certification of the invoice, the installation needs to ensure that the contractor provide the variance analysis reports prior to certification of the invoice.

Discussion with Preview

Discussion

Our review showed that the common missile program was in the early development stages of a weapon system's life cycle—concept and technology demonstration phase. As a result, we focused our review on determining whether the key management controls for the program were in place and being followed. In the following sections, we discuss these three areas:

- Support for the need.
- Concept support for Army Transformation.
- Acceptable risk and mission needs statement.

Support for the Need

We found that the need for a common missile program was supported, with the exception of

Typical Previews

In this section we discuss two areas:

- Reporting system compliance status.
- Reporting wastewater permits and systems.

Managers needed to improve control of convenience checks by:

- Verifying approval to use the checks.
- Using the Government Purchase Card to avoid check fee charges.

Here are the details.

Components of a Preview

- Introduce with words like, “In this section we discuss the following topics:”
- Make topic names echo the system components mentioned in the Objective.
- Display topics in a vertical list.

Exercise: Writing a Preview

See your booklet of instructions and exercises.

Informative Headings

- Provide a heading for each topic.
- Make headings echo system components from the preview and the Objective.
- Make headings informative but not accusative.

Exercise: Informative, Unbiased Headings

See your booklet of instructions and exercises.

Dollar-bill Paragraphs

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Does this one pass the test?

Key Info for Each Topic

For each main topic, tell:

- Condition
- How you studied the problem
- Criteria for your evaluation
- What you found
- Root causes
- Effects of the problem
- A solution for each cause

Checklist for Discussions

- ❑ Preview echoes system components from Objective.
- ❑ Informative headings echo the preview and introduce main topics.
- ❑ Paragraphs pass the dollar-bill test.
- ❑ Discussion of each main topic includes key info: condition, method of study, criteria, what you found, root causes, effects, and solutions.

Exercise: Writing a Discussion

See your booklet of instructions and exercises.

Writing Recommendations

- Include at least one recommendation for each cause.
- Make recommendations echo “solutions” from the Discussion.
- Make recommendations specific, not vague.

Specific Recommendations

- Identify responsible officials.
- For accountability, tell what constitutes satisfactory compliance.

Exercise: Vague and Specific Recommendations

See your booklet of instructions and exercises.

Checklist for Recommendations

- ❑ Each cause has at least one Recommendation.
- ❑ Recommendations echo solutions from Discussion.
- ❑ Assignments of responsibility for carrying out recommendations are clear.
- ❑ Recommendations specify what constitutes satisfactory compliance.

Exercise: Writing Recommendations

See your booklet of instructions and exercises.

From Checklist to Template

- Creating word-processor templates
- Using a template to help new auditors

On my command, write!

- Write from a commander's viewpoint.
- Write now.